

Islington Early Years Day-care Charging Policy

November 2015

Islington Council subsidises day-care in all its Sure Start Children's Centres and in a number of voluntary sector community nurseries. This supports the council to ensure that local, affordable high-quality childcare is made available to parents and carers.

Day-care charges for subsidised places are calculated on the basis of **both parents/carers** annual income **before** deductions.

In order to identify which charging band to apply, childcare providers ask parents to show evidence of their income as part of the admissions process.

This policy applies to all childcare places that are subsidised by the council. The current charging bands and rates are available on request.

1.0 Income assessments and day-care charges

- 1.1 Families taking up the universal entitlement to funded early education for children aged 3 and a term or older (see 5.1) do not need to be income-assessed unless:
 - they wish to pay for additional hours
 - the child attends for lunch
- 1.2 In all other cases, families are income-assessed for day-care charges, either by the early education setting or by Islington Council's Free School Meals team (Where the child is an eligible 2 year old).
- 1.3 Following income assessment, day-care charges are calculated according to the relevant charging band.
- 1.4 There are no charges in the following circumstances:
 - both parents (if applicable) of children placed by the Early Years Priority Referral (EYPR) panel are in receipt of Income Support
 - the EYPR panel agrees to waive the day-care charge due to exceptional family circumstances and in the best interests of the child
 - evidence is provided to the early years setting that a child is eligible for funded early education for two year olds (see 5.2), as assessed by the Free School Meals team, the EYPR panel, or the Under Fives Advisory Group (UFAG) panel, and parents do not wish to pay for any additional hours
- 1.5 Parents that are studying full-time must provide the following in order to be prioritised for a place under the admissions criteria:
 - proof of acceptance onto a course leading to a qualification
 - evidence that the course provider will pay for the day-care is required
- 1.6 The charges assessment form and agreement/contract form must be completed and signed by parents/carers **before** the child starts.
- 1.7 Parents/carers are given a one week settling in period free of charge.
- 1.8 If the charging policy is amended or if day-care charges have been calculated incorrectly, notice of 4 weeks will be given to all parents and new charges applied at the end of that notice period.

2.0 Charging weeks

- 2.1 In every full school (academic) year, term-time only (TTO) charges are payable for 39 weeks (i.e.195 days – 190 plus 5 INSET days). All year round charges are 39 weeks at term-time charge and *10/11 weeks at holiday charge, totalling *49/50 weeks. * *Leap Years have an extra day in February over a number of years this extra day builds up which creates an extra holiday charge week - therefore some years there will be 50 charging weeks, 39 TTO and 11 Holiday weeks*
- 2.2 Charges are set for full weeks (TTO 39 weeks, AYR 10 weeks) even though terms sometimes begin and/or end half way through a week. (Refer to 'Charging weeks' tab on the Day-care Monitoring spread sheet). By the end of the academic year, part weeks charged as full weeks will balance out with part weeks not charged for.

3.0 Arrears Policy

- 3.1 Day-care charges are crucial to each setting's budget. The Council operates a 'no arrears' policy to prevent parents/carers building up arrears which they may have difficulty meeting.
- 3.2 The arrears policy must be followed by all Local Authority managed children's centres. Other external organisations are strongly advised to use the policy as a model.
- 3.3 The Council will take legal action to pursue any outstanding arrears, following the withdrawal of the place.
- 3.4 In ALL cases of arrears the Head of Centre must be kept informed and consulted from week two in the following procedures:
The centre/school admin officer will:
- 3.5 Week 1: provide statement with reminder the first week a parent does not pay and on request
- 3.6 Week 2: issue the first arrears letter if parent has not responded to the statement
- 3.7 Week 3: issue the second letter as soon as the deadline on the first letter expires
- 3.8 The Head of Centre will negotiate an appropriate period for payment of the arrears
- 3.9 Discharge of place with outstanding arrears must be passed to Early Years Finance or to an appropriate section/person (In the case of non-council centres) for further follow up and legal action. Supporting documentation should be forwarded in order to raise official invoice (or take legal action).
- 3.10 Writing off arrears should only be considered where all other administrative and legal options to collect the debt have been exhausted. **Centres should be aware that any amounts written off are repayable back to the council as part of the claw back policy.**

4.0 Reception age children attending Children's Centres

- 4.1 All reception age children who have a contract to attend extended day provision will be charged in accordance with the Children's Centre Charging policy and schedules. This applies whether the reception class is part of the children's centre organisation or separately managed by the school.

5.0 Discounts

5.1 A 25% discount is applied where a child has an identified disability as set out in the disabled children policy

5.2 The following discounts apply where the parent is an Islington resident and is paying day-care charges for more than one child under 5 at any council-funded childcare provider in the borough:

Reduction for second and subsequent children		
No. of children	% reduction	
1	0%	(1st child 0%)
2	25%	(1st child 0%, second child 25%)
3	35%	(1st child 0%, second child 25%, 3rd child 35%)
4	45%	(1st child 0%, second child 25%, 3rd child 35%, 4th child 45%)

Reductions for second and subsequent children of multiple births		
No. of children	% reduction	
Twins	30%	(1st child 0%, second child 30%)
Triplets	40%	(1st child 0%, second child 30%, 3rd child 40%)
Quads	50%	(1st child 0%, second child 30%, 3rd child 40%, 4th child 50%)

6.0 Hours attended and amounts charged

6.1 The day-care charging bands show the hourly rate for each band in each age group. This rate is then multiplied by the number of hours stated in the agreement/contract.

6.2 If the child is eligible for funded hours these should be deducted from the total.

6.3 Day-care places can be offered for two, three or five consecutive days at the beginning or end of week, or for 5 mornings/afternoons i.e.

- two day places: Monday and Tuesday or Thursday and Friday
- three day places: Monday, Tuesday and Wednesday or Wednesday, Thursday and Friday
- The aim is to ensure centres are able to meet their income targets whilst still offering flexibility to meet parent/carers needs and maximise the use of vacancies.
- Where centres have full occupancy, this will be strictly applied. However if centres are unable to fill all places, more flexibility maybe considered at the discretion of the head of centre's judgement. This must be offered for one term only and reviewed on a termly basis.

7.0 Funded early education for two, three and four year olds

- 7.1 All children are entitled to 570 hours per year of funded early education from the term after their third birthday. This equates to 15 hours per week, term time only but can be offered flexibly over the year.
- 7.2 Some children are entitled to 570 hours per year of funded early education from the term after their second birthday. For further details including the eligibility criteria, visit www.islington.gov.uk/freeearlylearning2.
- 7.3 Where a child is already attending a setting as an under 3, parents will receive the 3 year old reduction at the beginning of the term following the child's 3rd birthday.
- 7.4 Some children's centres are able to offer up to 30 hours per week (term time only) of funded early education to Islington-resident three and four year olds. Non-Islington resident 3 and 4 year olds will continue to receive up to 15 hours free nursery education. See the Islington Early Years Admissions policy for further details.

8.0 INSET Days and Bank Holidays

- 8.1 There are 5 days per academic year – known as INSET days – when settings are closed for staff training. Charges are payable for these 5 days and for Bank Holidays. These charges are incorporated within the day-care charges.

9.0 Charging weeks

- 9.1 Children can either attend term-time only or all year round if settings are open during the school holidays. Different charging rates apply for term-time and holiday provision.
- 9.2 In each academic year, term-time charges are payable for 39 weeks (190 + 5 INSET days = 195 days).
- 9.3 Where children attend all year round, charges are based on 39 weeks at the term-time rate and 10 or 11 weeks at the holiday rate, totalling 49 or 50 weeks. (See section 2.0)
- 9.4 Charges are set for full weeks even when terms begin and/or end half way through a week. By the end of the academic year, part-weeks charged as full weeks will balance out with part-weeks not charged for.

Other Charges

- 9.5 The cost of lunch for children under 3 is incorporated in the day-care charges.
- 9.6 There is a separate charge for lunch (when attended) from the term after the child's 3rd birthday. No charge is applied to children whose parents are in receipt of Income Support, where parents provide evidence of this to the centre.
- 9.7 Parents/carers may be asked for a contribution towards the cost of trips.

10.0 Charging institutions and outside boroughs

- 11.1 Borough and corporate sponsors paying for childcare are charged at the maximum band or full cost. Contact the Family Information Service for more information: 020 7527 5959.